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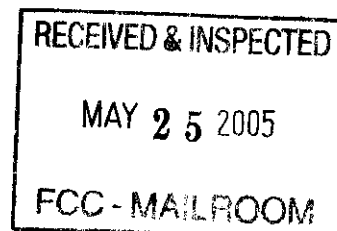
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BEFORE THE PUBLIC UTILITIES COMMISSION OF NEVADA

In re investigation and rulemaking regarding the Lifeline/
Link-up program benefits pursuant to FCC 04-87 Report)
and Order and Further Notice of Proposed Rulemaking.)

Docket No. 04-8003

At a general session of the Public Utilities
Commission of Nevada, held at its offices
on May 17, 2005.

PRESENT: Chairman Donald L. Soderberg
Commissioner Carl B. Linvill
Commissioner Jo Ann P. Kelly
Commission Secretary Crystal Jackson



ORDER

The Public Utilities Commission of Nevada ("Commission") makes the following
findings of fact and conclusions of law:

1. On August 4, 2004, the Commission voted to open an investigation, designated as Docket No. 04-8003, to determine what actions should be taken pursuant to the Federal Communications Commission's ("FCC") Report and Order and Further Notice of Proposed Rulemaking, FCC Order 04-87, regarding Lifeline/Link-up program benefits. The FCC Lifeline/Link-up Order requires all states to adopt verification and certification procedures to document income-based eligibility for Lifeline/Link-up enrollment. On February 9, 2005, the Commission voted to expand the scope of this docket to include a rulemaking.

2. This matter is being conducted by the Commission pursuant to the Nevada Revised Statutes ("NRS") and the Nevada Administrative Code ("NAC"), Chapters 233B, 703, and 704, including but not limited to NRS 704.210.

3. The Commission issued a public notice of this matter in accordance with state law and the Commission's Rules of Practice and Procedure.

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4. The FCC Order requested that states complete and return a voluntary survey regarding each state's experience with the Lifeline/Link-Up program. On February 23, 2005, the Commission issued an Order requesting that each eligible telecommunications carrier in Nevada complete the relevant survey questions to the best of its ability and forward that information to the Regulatory Operations Staff ("Staff") of the Commission.

5. Staff received input on survey questions 2, 3, 4, 9 and 10 from Central Telephone Company-Nevada d/b/a Sprint of Nevada, Nevada Bell Telephone Company d/b/a/ SBC Nevada, Verizon California Inc. d/b/a Verizon Nevada, Citizens Telecommunications Company of Nevada d/b/a Frontier Communications of Nevada, Lincoln County Telephone System, Inc., and Rio Virgin Telephone and Cablevision. Staff used this information, along with the proposed revisions to the Commission's regulations in Docket 04-8003, to complete the attached survey.

6. Staff recommended that the Commission accept the survey, attached hereto and incorporated herein as Attachment 1, and submit it to the FCC by June 22, 2005.

7. The Commission finds that it is in the public interest to accept Staff's recommendation, and approve the Lifeline/Link-Up State Survey for Nevada and submit it to the FCC by June 22, 2005.

THEREFORE, based upon the foregoing findings of fact and conclusions of law, it is hereby ORDERED that:

1. The Lifeline/Link-Up State Survey for Nevada is APPROVED, and the survey shall be SUBMITTED to the FCC by June 22, 2005.

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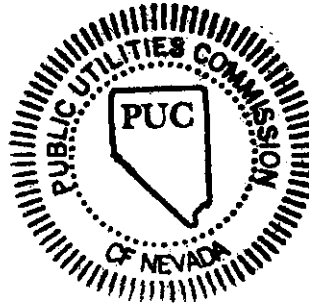
2. The Commission retains jurisdiction for the purpose of correcting any errors that may have occurred in the drafting or issuance of this Order.

By the Commission,

Crystal Jackson
CRYSTAL JACKSON, Commission Secretary

Dated: Carson City, Nevada

(SEAL) 5-20-05



ATTACHMENT 1

**LIFELINE/LINK-UP STATE SURVEY
NEVADA**

1. What changes, if any, has the state implemented in its Lifeline/Link-Up program due to changes in the federal Lifeline/Link-Up program? Of those changes, which have been most effective in increasing the state's telephone penetration rate?

The Public Utilities Commission of Nevada ("PUCN") has opened a rulemaking docket (Docket No. 04-8003) to update its Lifeline/Linkup regulations pursuant to the directive in FCC Order 04-87 and to make any other related changes. To date, the rulemaking has not been completed, so there have been no changes to the practices that affect Nevada's telephone penetration rate.

2. Please provide any additional information the state wishes to submit regarding positive or negative results experienced due to adoption of new Lifeline/Link-Up procedures during the past 12 months.

Please see answer to question 1 above.

3. Please provide any additional information the state wishes to submit regarding any administrative burdens or inefficiencies that the state has experienced due to adoption of new Lifeline/Link-Up procedures during the past 12 months.

Please see answer to question 1 above.

4. What is the current level of Lifeline support in the state, and are any changes scheduled to be made in the future?

Pursuant to Nevada Administrative Code ("NAC") 704.680478, an eligible telecommunications carrier ("ETC") may seek reimbursement from Nevada's Fund for Universal Service for the portion of the discount in the rate for Lifeline service for which federal Universal Service support is not available. To date, no ETC has filed an application with the PUCN for disbursement from Nevada's Fund for Universal Service.

5. Describe the state's Lifeline/Link-Up eligibility requirements.

Pursuant to NAC 704.680474, the income criteria for Lifeline/Link-Up support is 150% of the federal poverty level. Pursuant to the tariff provisions for Sprint of Nevada, which serves the greater Las Vegas area, the income criteria is 175% of the federal poverty level.

A customer must justify income eligibility by providing the most recent individual federal income tax return or by providing documentation which proves that the subscriber receives benefits from at least one of the following: Medicaid, food stamps, supplemental security income, federal public housing assistance, low-income home energy assistance, or aid to families with dependent children. The proposed amendment to NAC 704.680474 in PUCN Docket No. 04-8003 will expand the eligibility requirements to include: the most

recent individual tribal tax return, three consecutive months of all household income statements, and documentation proving benefits received from Temporary Assistance to Needy Families (replacing aid to families with dependent children) and National School Lunch's free lunch program.

6. Describe the state's Lifeline/Link-Up procedures for enrollment and certification, including documentation requirements. Do any state agencies qualify applicants for the Lifeline/Link-Up program?

Please see answer to question 5 above for a description of Nevada's enrollment and certification procedures.

Under Nevada Revised Statutes ("NRS") 707.470, the Department of Human Resource of Nevada (Division of Welfare) provides ETCs with a list of all welfare recipients every six (6) months.

For all customers who are currently non-Lifeline subscribers, the ETCs contact them to inform them that they are eligible for discounted telephone service. These customers are enrolled in the Lifeline program unless they opt out. For all non-customers, the ETCs send a card informing them of their eligibility for the Lifeline program and invite them to contact the ETC to begin service.

7. Describe the state's Lifeline/Link-Up procedures for verification, including documentation requirements. If the state plans to implement a verification program, please describe.

The ETCs accept the Division of Welfare's semiannual lists as accurate for Lifeline enrollment. If a Lifeline customer drops off the list, the ETC contacts that customer to ascertain whether there is any other income information that would make the customer still eligible for continued participation in the Lifeline program. Please see answer to question 5 above for a description of the additional eligibility criteria.

8. Does the state now use, or is it considering implementing an electronic database to identify income-eligible households or facilitate verification or enrollment? If yes, please describe.

Yes. The ETCs receive information from the state Division of Welfare in Excel format.

9. Describe the state's outreach efforts. Which outreach efforts in particular have been the most successful in increasing participation?

Pursuant to NAC 704.680461(1)(c), at least once every three (3) months each ETC must prominently advertise the Lifeline/Link-up services throughout the service area in one or more forms of media of general distribution including, without limitation, newspapers, television, or radio. The Division of Welfare also forwards a list of all welfare recipients to the ETCs every six (6) months. Please see answer to question 6 above for a description of

the ETC's use of the lists.

Individual carriers conduct additional outreach. Various ETCs post Lifeline/Link-up information in telephone directories, annual bill inserts, and direct mail postcards to residents in areas that are inaccessible by other media outlets. Sprint of Nevada visits various organizations (senior citizens, low income, minority, etc.) to provide forms and information. This has been very effective because it gives the customers an opportunity to talk to representatives and ask questions about the program.

10. List suggestions for improvements to the federal Lifeline/Link-Up program.

A "self-certification" of income qualifications is efficient for both the carrier and consumer because this approach allows eligible customers to immediately obtain the benefits of the Lifeline program including the discounted installation fees at initial installation. Also, institution of a voucher system could be used to provide low income individuals with vouchers for a specified amount which could be utilized with any telecommunication provider of the Lifeline customer's choice.

11. Does the state require all incumbent LECs to provide Lifeline/Link-Up Service to eligible subscribers?

All companies that receive certification as ETCs are required to offer Life/Link-up service to eligible subscribers. All of Nevada's incumbent LECs have received ETC designation. The only additional ETC is Western Wireless Corporation.

12. Does the state require all competitive LECs to provide Lifeline/Link-Up Service to eligible subscribers?

Only competitive LECs that are designated as ETCs are required to provide Lifeline/Link-Up service to eligible subscribers. To date, Western Wireless is the only competitive LEC to have received ETC status.

13. Does the state sponsor any other low-income assistance programs that may provide alternative means for low-income consumers to access the public switched telephone network?

No.